

<i>SERFF Tracking Number:</i>	<i>TRGR-125377308</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Southern Insurance Company</i>	<i>State Tracking Number:</i>	<i>#302180 \$100</i>
<i>Company Tracking Number:</i>	<i>07-213</i>		
<i>TOI:</i>	<i>17.2 Other Liability - Occurrence Only</i>	<i>Sub-TOI:</i>	<i>17.2003 Comprehensive Personal Liability</i>
<i>Product Name:</i>	<i>Arkansas Home Protectors</i>		
<i>Project Name/Number:</i>	<i>Initial Filing of Rates and Rules/07-213</i>		

Filing at a Glance

Company: Southern Insurance Company	SERFF Tr Num: TRGR-125377308	State: Arkansas
Product Name: Arkansas Home Protectors	SERFF Status: Closed	State Tr Num: #302180 \$100
TOI: 17.2 Other Liability - Occurrence Only	Co Tr Num: 07-213	State Status: Fees verified and received
Sub-TOI: 17.2003 Comprehensive Personal Liability	Co Status: Submitted	Reviewer(s): Becky Harrington, Betty Montesi, Brittany Yielding
Filing Type: Rate	Author: William Bradford	Disposition Date: 01/04/2008
	Date Submitted: 12/12/2007	Disposition Status: Filed
Effective Date Requested (New): 02/01/2008		Effective Date (New): 02/01/2008
Effective Date Requested (Renewal): 02/01/2008		Effective Date (Renewal): 02/01/2008

State Filing Description:

General Information

Project Name: Initial Filing of Rates and Rules	Status of Filing in Domicile: Authorized
Project Number: 07-213	Domicile Status Comments: A similar low value program is approved in Texas
Reference Organization: ISO	Reference Number: DL-2003-R02RU
Reference Title: Dwelling 2000 Program	Advisory Org. Circular: LI-DL-2003-153
Filing Status Changed: 01/04/2008	
State Status Changed: 12/13/2007	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
This is our initial filing of rates and rules for the Arkansas Home Protectors program. This is a low value program using the ISO DL 24 01, in conjunction with the DP 00 01. The manual is based upon the ISO manual and the rates are based on a competitive analysis.	

The reference numbers below refer to the ISO manual, which is being adopted in part.

SERFF Tracking Number:	TRGR-125377308	State:	Arkansas
Filing Company:	Southern Insurance Company	State Tracking Number:	#302180 \$100
Company Tracking Number:	07-213		
TOI:	17.2 Other Liability - Occurrence Only	Sub-TOI:	17.2003 Comprehensive Personal Liability
Product Name:	Arkansas Home Protectors		
Project Name/Number:	Initial Filing of Rates and Rules/07-213		

Please refer to the filing support for additional information.

Company and Contact

Filing Contact Information

William Bradford, Senior Products Filing Specialist	bill.bradford@republicgroup.com
5525 LBJ Freeway	(972) 788-6617 [Phone]
Dallas, TX 75240	(972) 788-6609[FAX]

Filing Company Information

Southern Insurance Company	CoCode: 19216	State of Domicile: Texas
5525 LBJ Freeway	Group Code: 3489	Company Type:
Dallas, TX 75240	Group Name: The Republic Group	State ID Number:
(972) 788-6001 ext. [Phone]	FEIN Number: 75-6021170	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	1 company x \$100 fee
Per Company:	No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
0000302180	\$100.00	12/07/2007

<i>SERFF Tracking Number:</i>	<i>TRGR-125377308</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>Arkansas Home Protectors</i>		
<i>Project Name/Number:</i>	<i>Initial Filing of Rates and Rules/07-213</i>		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	01/04/2008	01/04/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	12/12/2007	12/12/2007	William Bradford	01/03/2008	01/03/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Underwriting Guidelines	Supporting Document	William Bradford	12/14/2007	12/14/2007

<i>SERFF Tracking Number:</i>	<i>TRGR-125377308</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>Arkansas Home Protectors</i>		
<i>Project Name/Number:</i>	<i>Initial Filing of Rates and Rules/07-213</i>		

Disposition

Disposition Date: 01/04/2008

Effective Date (New): 02/01/2008

Effective Date (Renewal): 02/01/2008

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: TRGR-125377308 State: Arkansas

Filing Company: Southern Insurance Company State Tracking Number: #302180 \$100

Company Tracking Number: 07-213

TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2003 Comprehensive Personal Liability

Product Name: Arkansas Home Protectors

Project Name/Number: Initial Filing of Rates and Rules/07-213

Item Type	Item Name	Item Status	Public Access
Supporting Document	NAIC loss cost data entry document	Filed	No
Supporting Document	Rate/Rule Filing Schedule	Filed	Yes
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document (revised)	Underwriting Guidelines	Filed	No
Supporting Document	Underwriting Guidelines		No
Supporting Document	Underwriting Guidelines		No
Supporting Document	Filing Memorandum	Filed	Yes
Supporting Document	Actuarial Exhibits	Filed	Yes
Supporting Document	RF-1	Filed	Yes
Rate (revised)	Rates and Rules	Filed	Yes
Rate	Rates and Rules		Yes

SERFF Tracking Number: TRGR-125377308 State: Arkansas
Filing Company: Southern Insurance Company State Tracking Number: #302180 \$100
Company Tracking Number: 07-213
TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2003 Comprehensive Personal Liability
Product Name: Arkansas Home Protectors
Project Name/Number: Initial Filing of Rates and Rules/07-213

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 12/12/2007

Submitted Date 12/12/2007

Respond By Date

Dear William Bradford,

This will acknowledge receipt of the captioned filing.

Objection 1

- Rates and Rules (Rate)

Comment: Explain the appropriateness of the dog surcharge without regard to whether there has been a history of viciousness.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

Becky Harrington

Response Letter

Response Letter Status Submitted to State

Response Letter Date 01/03/2008

Submitted Date 01/03/2008

Dear Becky Harrington,

Comments:

Response 1

Comments: We have eliminated the dog surcharge. Our low values programs are fairly recent and we do not yet have sufficient information on this surcharge, which we adopted from competitors.

The manual and the underwriting guidelines have been revised.

<i>SERFF Tracking Number:</i>	<i>TRGR-125377308</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>Arkansas Home Protectors</i>		
<i>Project Name/Number:</i>	<i>Initial Filing of Rates and Rules/07-213</i>		

Related Objection 1

Applies To:

- Rates and Rules (Rate)

Comment:

Explain the appropriateness of the dog surcharge without regard to whether there has been a history of viciousness.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Underwriting Guidelines

Comment: Support for the liability supplement is included as a portion of the dwelling guidelines, since liability will only be written in conjunction with a dwelling policy.

The guidelines are confidential.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Rates and Rules	All - entire manual	New	
<i>Previous Version</i>			
<i>Rates and Rules</i>	<i>All - entire manual</i>	<i>New</i>	

Sincerely,
William Bradford

SERFF Tracking Number: TRGR-125377308 State: Arkansas
Filing Company: Southern Insurance Company State Tracking Number: #302180 \$100
Company Tracking Number: 07-213
TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2003 Comprehensive Personal Liability
Product Name: Arkansas Home Protectors
Project Name/Number: Initial Filing of Rates and Rules/07-213

Amendment Letter

Amendment Date:

Submitted Date: 12/14/2007

Comments:

The dwelling liability guides are contained within the dwelling program guidelines. The dwelling program guidelines have been revised and we are attaching the new guidelines to this filing as well.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Underwriting Guidelines

Comment: Support for the liability supplement is included as a portion of the dwelling guidelines, since liability will only be written in conjunction with a dwelling policy.

The guidelines are confidential.

AR DF 12-14-2007.pdf

<i>SERFF Tracking Number:</i>	<i>TRGR-125377308</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Southern Insurance Company</i>	<i>State Tracking Number:</i>	<i>#302180 \$100</i>
<i>Company Tracking Number:</i>	<i>07-213</i>		
<i>TOI:</i>	<i>17.2 Other Liability - Occurrence Only</i>	<i>Sub-TOI:</i>	<i>17.2003 Comprehensive Personal Liability</i>
<i>Product Name:</i>	<i>Arkansas Home Protectors</i>		
<i>Project Name/Number:</i>	<i>Initial Filing of Rates and Rules/07-213</i>		

Rate Information

Rate data does NOT apply to filing.

<i>SERFF Tracking Number:</i>	<i>TRGR-125377308</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Southern Insurance Company</i>	<i>State Tracking Number:</i>	<i>#302180 \$100</i>
<i>Company Tracking Number:</i>	<i>07-213</i>		
<i>TOI:</i>	<i>17.2 Other Liability - Occurrence Only</i>	<i>Sub-TOI:</i>	<i>17.2003 Comprehensive Personal Liability</i>
<i>Product Name:</i>	<i>Arkansas Home Protectors</i>		
<i>Project Name/Number:</i>	<i>Initial Filing of Rates and Rules/07-213</i>		

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Rates and Rules	All - entire manual	New	AHP DL SUPPLEMENT Manual 02 08 (2).pdf

**ARKANSAS
HOME PROTECTOR PROGRAM
DWELLING LIABILITY SUPPLEMENT
MANUAL**

SUPPLEMENT TO THE ARKANSAS HOME PROTECTOR DWELLING GENERAL RULES

The Arkansas Home Protector Dwelling Policy Program General Rules apply to this Supplement except as follows:

RULE 100. INTRODUCTION

The following is added to Rule **100**:

D. About The Personal Liability Supplement

The Arkansas Home Protector Dwelling Policy Program is designed for lower valued residential properties and dwellings which may not qualify for mainstream markets. Liability coverage for the Arkansas Home Protector Program will be written with Dwelling Property coverage provided on policy form **DP 00 01**. Use Personal Liability Endorsement **DL 24 01**.

RULE 101. COVERAGE AND LIMITS OF LIABILITY

The title of Rule **101**. Forms, Coverages, Minimum Limits of Liability is replaced by the preceding title. Rule **101**. is replaced by the following:

A. Coverage Description

Personal Liability (Coverage **L**) and Medical Payments to Others (Coverage **M**) shall be provided in all cases.

B. Limits of Liability

The minimum limits of liability required are as follows:

Coverage **L** - \$25,000 each occurrence

Coverage **M** - \$500 each person

C. Increased Limits

These limits may be increased for an additional premium.

D. Same Limit For All Exposures

The same Coverage **L** and **M** limits of liability shall apply to all exposures.

RULE 102. EXPOSURES

The title of Rule **102**. Perils Insured Against is replaced by the preceding title. Rule **102**. is replaced by the following:

Refer to Rule **301**. for company rates for exposures **A.** through **C.**

A. Initial Residence Premises Occupied By Owner**B. Other Insured Locations Occupied By Owner****C. Other Insured Locations Not Occupied By Owner**

When the initial residence premises is insured by:

1. The same company insuring the other location, use Additional Residence Rented To Others Endorsement **DL 24 04**.
2. Another Company, use Premises Liability Endorsement **DL 24 11**.
3. The same company insuring the initial residence premises in another policy, use Premises Liability Endorsement **DL 24 11**.

RULE 103. ELIGIBILITY

The following is added to Rule **103**:

F. Coverage may be provided for:

1. All insured locations occupied by the insured.
2. Other locations not occupied by the owner.

G. If coverage is provided under Paragraph **F.1.:**

1. It automatically includes coverage for Employer's Liability for up to two employees. Coverage is not available for more than two employees is not available
2. It may also be provided for all other exposures listed in this supplement.

H. When coverage is provided in accordance with Paragraph **F., it may be extended to cover additional insureds, but only with respect to the insured location. An additional insured is a person or organization with interest in the insured location or a joint owner who does not occupy the insured location. No additional charge is required.**

Use Additional Insured Endorsement **DL 24 10**.

RULES 104. – 107

Rules 104. – 107. do not apply.

RULE 301. PREMIUM COMPUTATION

Rule 301 is replaced by the following:

A. Premium Computations**1. Basic Limits**

Category	One Family Premium	Two Family Premium	Three or Four Family Premium
Owner Occupied	\$35	\$39	\$53
Non-Owner Occupied	\$45	\$55	\$68

Table 301.B.1, Basic Limit Rates**2. Increased Limits – Medical Payments**

Charge \$5 to increase to \$1,000 Medical payments limit.

B. Increased Limits

For Personal Liability increased limits, apply the following factors to the basic limits premiums:

Limit Of Liability	Factor
\$50,000	1.333
\$100,000	2.000

Table 301.B. Increased Limits**RULES 302. – 303.**

Rules 302. – 303. do not apply.

RULES 305. LOSS SETTLEMENT OPTIONS

Rule 305. does not apply.

RULES 401. – 410

Rules 401. – 410. do not apply.

RULES 501. – 516

Rules 501 – 516. do not apply.

ADDITIONAL RULES**RULE A1. SPECIAL STATE REQUIREMENTS****A. No Coverage for Home Day Care Business Endorsement DL 24 16**

Use this endorsement when Personal Liability Endorsement **DL 24 01** is attached to a policy.

B. Amendatory Mandatory Asbestos and Lead Exclusion Endorsement RD 955

This endorsement details the restrictions for asbestos and lead. Use this endorsement when Personal Liability endorsement **DL 24 01** is attached to a policy.

C. Special Provisions Endorsement DL 25 03

Use this endorsement when Personal Liability Endorsement **DL 24 01** is attached to a policy.

RULE A2. DOG AND ANIMAL EXCLUSIONS

A. Premises with certain types of dogs (e.g., dogs with a history of biting) and other animals (e.g., poisonous snakes) are not eligible for coverage. These dwellings may be written if this exposure is excluded.

B. Endorsements

1. For unacceptable dog exposures, use endorsement **RDL 104**, Canine Exclusion
2. For all other unacceptable animal exposures, use **RDL 106**, Animal Exclusion

C. Refer to the company's underwriting guidelines for further information on unacceptable exposures.

RULE A3. TRAMPOLINE SURCHARGE

A. A \$25 surcharge applies to an insured who owns a trampoline protected by a safety net.

B. Trampolines without safety nets are not eligible for coverage.

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Company Tracking Number: 07-213
TOI: 17.2 Other Liability - Occurrence Only Sub-TOI: 17.2003 Comprehensive Personal Liability
Product Name: Arkansas Home Protectors
Project Name/Number: Initial Filing of Rates and Rules/07-213

Supporting Document Schedules

Review Status:
Satisfied -Name: Rate/Rule Filing Schedule Filed 01/04/2008
Comments:
Included with Uniform Transmittal Document

Review Status:
Satisfied -Name: Uniform Transmittal Document- Property & Casualty Filed 01/04/2008
Comments:
Attachment:
AR DL rate.pdf

Review Status:
Satisfied -Name: Filing Memorandum Filed 01/04/2008
Comments:
Support for the liability supplement is included as a portion of the dwelling support, since liability will only be written in conjunction with a dwelling policy.
Attachment:
Filing Memorandum AR DP-1.pdf

Review Status:
Satisfied -Name: Actuarial Exhibits Filed 01/04/2008
Comments:
Support for the liability supplement is included as a portion of the dwelling support, since liability will only be written in conjunction with a dwelling policy.
Attachment:
Filing Exhibit AR DP-1.pdf

Review Status:
Satisfied -Name: RF-1 Filed 01/04/2008
Comments:
Attachment:
FORM RF-1 Rate Filing Abstract (AR DL).pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

3. Group Name					Group NAIC #
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #	

5. Company Tracking Number	
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
7. Signature of authorized filer				
8. Please print name of authorized filer				

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)				
10. Sub-Type of Insurance (Sub-TOI)				
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]				
12. Company Program Title (Marketing title)				
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)			
14. Effective Date(s) Requested	New:		Renewal:	
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No			
16. Reference Organization (if applicable)				
17. Reference Organization # & Title				
18. Company's Date of Filing				
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved			

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	
21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]	

[illegible]

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #				
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)				
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
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2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
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☐ Rate Increase ☐ Rate Decrease ☐ Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
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4a.	Rate Change by Company (As Proposed)
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

4b.	Rate Change by Company (As Accepted) For State Use Only
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5.	Overall Rate Information (Complete for Multiple Company Filings only)
-----------	--

		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	
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7.	Effective Date of last rate revision	
-----------	---	--

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		[] New [] Replacement [] Withdrawn	
02		[] New [] Replacement [] Withdrawn	
03		[] New [] Replacement [] Withdrawn	

FILING MEMORANDUM
Arkansas Home Protectors DP-1
Southern Insurance Company (SIC)

Southern Insurance Company (SIC), one of three licensed companies in Arkansas from the Republic group of companies, currently is filing a new low-value dwelling fire insurance program in Arkansas. The policy form is based off an ISO form 1 with several endorsements developed by Republic. Our new Home Protectors DP-1 product will be written in Southern Insurance Company. The proposed effective date is February 1, 2008.

The following filing exhibits are included:

Exhibit A – Proposed Rates

Since this is a new program filing, SIC currently has no written premium for this line of business in AR. Exhibit A provides our competitive analysis and proposed territories, rates and factors, as follows:

A.1 – A.2	Territory Definitions and Map
A.3 – A.5	Territorial Rates – Coverage A
A.6 – A.7	Coverage A Amount of Insurance Curve
A.8	Territorial Rates – Coverage C
A.9 – A.10	Coverage C Amount of Insurance Curve
A.11	Protection/Construction Factors
A.12	Deductible Factors
A.13	Additional Extended Coverage Endorsement
A.14 – A.15	Other Factors, Credits, and Charges

Rates and rating factors were determined by reviewing similar low-value programs from four major competitor filings, manuals, and forms, along with current Republic rating in other states (MS, OK and TX).

Territory Definitions and Map

Republic's proposed territory definitions are listed by county on exhibit A.1. A territory map is provided on exhibit A.2. These territory definitions are used for all Republic's property products in Arkansas.

Territorial Rates – Coverage A

Dwelling rate comparisons on exhibits A.3 – A.5 are based on the following standard risk:

- DP-1 Form
- \$50,000 Coverage A amount of insurance
- Frame construction
- Protection class 5
- \$500 All-Peril Deductible
- Fire & Extended Coverage premiums combined
- Owner-occupied

FILING MEMORANDUM
Arkansas Home Protectors DP-1
Southern Insurance Company (SIC)

Note: Dwelling base rates as shown in the manual pages are for owner occupied residences and do not include the tenant occupied surcharge (which is a factor applied separately). In addition, dwelling base rates shown in the manual are split into fire and extended coverage rates, while Exhibit A.3 – A.5 are a combined rate.

Coverage A Amount of Insurance Curve

Tables on Exhibits A.6 – A.7 provides the coverage A curve for each of the competitors considered and the proposed curve. The base factor is set at \$50,000 amount of insurance.

Territorial Rates – Coverage C

Personal Property proposed rates are based on competitive analysis with base risk at \$10,000 of coverage C, as shown on exhibit A.8.

Coverage C Amount of Insurance Curve

Exhibit A.9 shows the Republic proposed curve for Coverage C, fire coverage. Exhibit A.10 shows the Republic proposed curve for Coverage C, extended coverage. Both Coverage C curves were derived from our existing low-value products.

Protection/Construction Factors

Exhibit A.11 shows the protection/construction factors for each of the competitors considered and our proposed factors. The base classification is frame, protection class 5. Note that the competitor factors are applied to a combined base premium for fire and extended coverage. Republic's all-coverage proposed factors are based on competitor factors. Republic's factors were then adjusted to apply to the fire-only base rate. This is necessary because Republic rates fire and extended coverage separately, and protection/classification factors are only applied to the fire base rate.

Deductible Factors

Republic's proposed deductible factors are based off competitor structure and factors, as shown in Exhibit A.12. The base deductible in all territories is \$500 all-peril. Other flat dollar deductibles offered include \$250, \$1000, and \$2500.

Additional Extended Coverage with Limited Water Damage (HP 111 02 07)

Republic currently provides a similar endorsement in its low value dwelling fire programs in Mississippi (Mississippi Home Protectors or MHP), Oklahoma (Oklahoma Home Protectors or OHP) and Texas (Republic Home Protectors or RHP) that cover the perils of Sudden and Accidental Discharge, Leakage, Overflow or Release or Water or Steam with coverage limits of \$2,500 and \$5,000. The propose rates for this endorsement, as shown on Exhibit A.13, are based on the pricing of this endorsement in Texas, with an adjustment from a 1% base deductible in Texas to a \$500 base deductible in Arkansas.

FILING MEMORANDUM
Arkansas Home Protectors DP-1
Southern Insurance Company (SIC)

Other Factors, Credits, and Charges

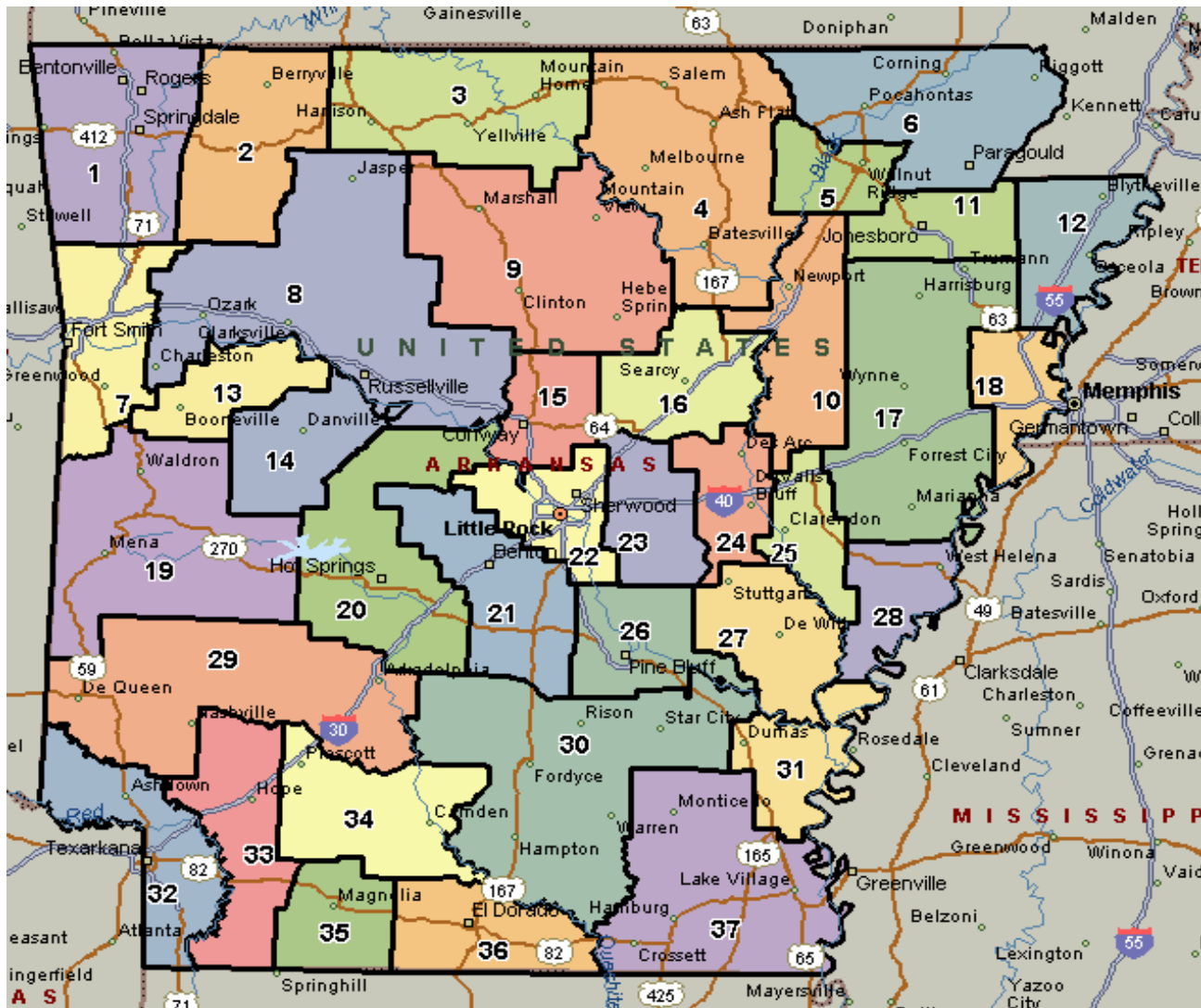
Proposed rating factors are provided for the following in Exhibits A.14 – A.15: Liability coverage, Increased Liability Limits, Medical Payments coverage, Miscellaneous Charges (dog, trampoline, tenant, townhouse or rowhouse, seasonal or secondary occupancy, wood roof, multi-layer roofs, and multiple families), and Miscellaneous Credits (protective devices, hail resistive composition roofs, metal roofs, superior construction, mature homeowner, agency renewal and loss free credits). Minimum premium is listed. Rates are also provided for Vandalism and Malicious Mischief (VMM) and Additional Living Expense (coverage E) optional coverages. These rating factors are based on Republic's standard offerings in other states (MS, OK and TX).

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOMEOWNERS AND DWELLING FIRE
TERRITORY DEFINITIONS**

County	Republic Territory	County	Republic Territory
Arkansas	27	Little River	32
Ashley	37	Logan	13
Baxter	3	Lonoke	23
Benton	1	Madison	2
Boone	3	Marion	3
Bradley	30	Miller	32
Calhoun	30	Mississippi	12
Carroll	2	Monroe	25
Chicot	37	Montgomery	19
Clark	29	Nevada	34
Clay	6	Newton	8
Cleburne	9	Ouachita	34
Cleveland	30	Perry	20
Columbia	35	Phillips	28
Conway	8	Pike	29
Craighead	11	Poinsett	17
Crawford	7	Polk	19
Crittenden	18	Pope	8
Cross	17	Prairie	24
Dallas	30	Remainder of Pulaski	22
Desha	31	Randolph	6
Drew	37	Saline	21
Faulkner	15	Scott	19
Franklin	8	Searcy	9
Fulton	4	Sebastian	7
Garland	20	Sevier	29
Grant	21	Sharp	4
Greene	6	St. Francis	17
Hempstead	33	Stone	9
Hot Spring	20	Union	36
Howard	29	Van Buren	9
Independence	4	Washington	1
Izard	4	White	16
Jackson	10	Woodruff	10
Jefferson	26	Yell	14
Johnson	8		
LaFayette	33		
Lawrence	5		
Lee	17		
Lincoln	30		
		Cites within Pulaski County	
		Little Rock	38
		N. Little Rock	38

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOMEOWNERS AND DWELLING FIRE
TERRITORY MAP**

Exhibit A.2



<u>Territory</u>	<u>Description</u>	<u>Territory</u>	<u>Description</u>
1	Benton, Washington	20	Garland, Hot Spring, Perry
2	Carroll, Madison	21	Grant, Saline
3	Baxter, Boone, Marion	22	Remainder of Pulaski
4	Fulton, Independence, Izard, Sharp	23	Lonoke
5	Lawrence	24	Prairie
6	Clay, Greene, Randolph	25	Monroe
7	Crawford, Sebastian	26	Jefferson
8	Conway, Franklin, Johnson, Newton, Pope	27	Arkansas
9	Cleburne, Searcy, Stone, Van Buren	28	Phillips
10	Jackson, Woodruff	29	Clark, Howard, Pike, Sevier
11	Craighead	30	Bradley, Calhoun, Cleveland, Dallas, Lincoln
12	Mississippi	31	Desha
13	Logan	32	Little River, Miller
14	Yell	33	Hempstead, LaFayette
15	Faulkner	34	Nevada, Ouachita
16	White	35	Columbia
17	Cross, Lee, Poinsett, St. Francis	36	Union
18	Crittenden	37	Ashley, Chicot, Drew
19	Montgomery, Polk, Scott	38	Cities of Little Rock and North Little Rock (Pulaski County)

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
COVERAGE A TERRITORIAL RATES FOR DWELLING COVERAGE**

Company	Republic Territory												
	1	2	3	4	5	6	7	8	9	10	11	12	13
Competitor 1	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$615	\$478
Competitor 2	\$504	\$504	\$504	\$504	\$554	\$706	\$504	\$504	\$504	\$554	\$706	\$706	\$504
Competitor 3	\$518	\$518	\$518	\$573	\$849	\$849	\$573	\$518	\$518	\$849	\$849	\$849	\$518
Competitor 4	\$669	\$669	\$669	\$933	\$933	\$933	\$801	\$669	\$669	\$933	\$933	\$933	\$669
Republic - proposed	\$494	\$494	\$494	\$494	\$543	\$670	\$494	\$494	\$494	\$543	\$670	\$670	\$494

Territory	Area Description	Counties Included	
1	Northwest Corner	Benton	Washington
2	Northwest Corner	Carroll	Madison
3	Northern AR	Baxter	Boone Marion
4	Northern AR	Fulton	Independence Iazard Sharp
5	Northern AR	Lawrence	
6	Northern AR	Clay	Greene Randolph
7	Fort Smith Area	Crawford	Sebastian
8	Ozark National Forest	Conway	Franklin Johnson Newton Pope
9	East of Ozark National Forest	Cleburne	Searcy Stone Van Buren
10	Newport Area	Jackson	Woodruff
11	Jonesboro Area	Craighead	
12	North of Memphis	Mississippi	
13	Western AR	Logan	

RISK: \$50,000 AOI, FRAME, P/C 5, \$500 DEDUCTIBLE, FIRE & EXTENDED COVERAGE COMBINED, OWNER-OCCUPIED RESIDENCE

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
COVERAGE A TERRITORIAL RATES FOR DWELLING COVERAGE**

Company	Republic Territory												
	14	15	16	17	18	19	20	21	22	23	24	25	26
Competitor 1	\$478	\$478	\$478	\$478	\$615	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478
Competitor 2	\$504	\$504	\$706	\$706	\$706	\$504	\$504	\$504	\$554	\$554	\$554	\$554	\$554
Competitor 3	\$518	\$518	\$573	\$849	\$849	\$573	\$573	\$573	\$684	\$573	\$573	\$573	\$573
Competitor 4	\$669	\$669	\$669	\$933	\$933	\$669	\$669	\$669	\$741	\$669	\$669	\$669	\$669
Republic - proposed	\$494	\$494	\$543	\$670	\$670	\$494	\$494	\$494	\$543	\$543	\$543	\$543	\$543

Territory	Area Description	Counties Included
14	Western AR	Yell
15	North of Pulaski (LR)	Faulkner
16	Northeast of Pulaski (LR)	White
17	Eastern AR	Cross Lee Poinsett St. Francis
18	West of Memphis	Crittenden
19	Ouchita National Forest	Montgomery Polk Scott
20	Hot Springs Area	Garland Hot Spring Perry
21	Southwest of Pulaski (LR)	Grant Saline
22	Western AR	Remainder of Pulaski
23	East of Pulaski (LR)	Lonoke
24	East of Pulaski (LR)	Prairie
25	Eastern AR	Monroe
26	Southeast of Pulaski (LR)	Jefferson

RISK: \$50,000 AOI, FRAME, P/C 5, \$500 DEDUCTIBLE, FIRE & EXTENDED COVERAGE COMBINED, OWNER-OCCUPIED RESIDENCE

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
COVERAGE A TERRITORIAL RATES FOR DWELLING COVERAGE**

Company	Republic Territory											
	27	28	29	30	31	32	33	34	35	36	37	38
Competitor 1	\$478	\$615	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478	\$478
Competitor 2	\$706	\$706	\$554	\$554	\$706	\$554	\$554	\$554	\$706	\$554	\$706	\$554
Competitor 3	\$573	\$849	\$573	\$573	\$849	\$573	\$573	\$573	\$573	\$573	\$849	\$684
Competitor 4	\$669	\$933	\$669	\$669	\$669	\$669	\$669	\$669	\$669	\$669	\$669	\$741
Republic - proposed	\$543	\$670	\$543	\$543	\$670	\$543	\$543	\$543	\$543	\$543	\$670	\$543

Territory	Area Description	Counties Included						
27	Eastern AR	Arkansas						
28	Eastern AR	Phillips						
29	Southwestern AR	Clark	Howard	Pike	Sevier			
30	South Central AR	Bradley	Calhoun	Cleveland	Dallas	Lincoln		
31	Southeastern AR	Desha						
32	Texarkana Area	Little River	Miller					
33	Southwest Corner (xTexarkana Area)	Hempstead	LaFayette					
34	Southern AR	Nevada	Ouachita					
35	Southern AR	Columbia						
36	Southern AR	Union						
37	Southeast Corner	Ashley	Chicot	Drew				
38	Little Rock and N. Little Rock	Cities of Little Rock and North Little Rock (Pulaski County)						

RISK: \$50,000 AOI, FRAME, P/C 5, \$500 DEDUCTIBLE, FIRE & EXTENDED COVERAGE COMBINED, OWNER-OCCUPIED RESIDENCE

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
COVERAGE A AMOUNT OF INSURANCE CURVE**

Base Risk: 50,000 coverage

Cov A AOI	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Republic Proposed
\$15,000	0.401		0.445	0.342	0.397
\$16,000	0.420		0.461	0.361	0.414
\$17,000	0.442		0.478	0.379	0.431
\$18,000	0.466		0.494	0.398	0.448
\$19,000	0.488		0.510	0.417	0.465
\$20,000	0.508	0.438	0.526	0.436	0.482
\$21,000	0.524	0.456	0.543	0.455	0.500
\$22,000	0.541	0.475	0.559	0.474	0.517
\$23,000	0.557	0.494	0.575	0.492	0.535
\$24,000	0.574	0.513	0.591	0.511	0.552
\$25,000	0.591	0.532	0.608	0.530	0.570
\$26,000	0.608	0.550	0.623	0.548	0.587
\$27,000	0.624	0.569	0.639	0.567	0.604
\$28,000	0.640	0.588	0.655	0.586	0.621
\$29,000	0.657	0.606	0.670	0.605	0.638
\$30,000	0.673	0.625	0.686	0.624	0.656
\$31,000	0.690	0.644	0.702	0.643	0.673
\$32,000	0.706	0.663	0.718	0.660	0.690
\$33,000	0.722	0.681	0.733	0.680	0.707
\$34,000	0.739	0.700	0.749	0.699	0.725
\$35,000	0.755	0.719	0.765	0.718	0.742
\$36,000	0.771	0.738	0.780	0.737	0.759
\$37,000	0.788	0.756	0.796	0.755	0.776
\$38,000	0.804	0.775	0.812	0.774	0.793
\$39,000	0.820	0.794	0.827	0.793	0.810
\$40,000	0.837	0.813	0.843	0.812	0.828
\$41,000	0.853	0.832	0.859	0.831	0.845
\$42,000	0.869	0.850	0.874	0.849	0.862
\$43,000	0.885	0.869	0.890	0.868	0.880
\$44,000	0.902	0.888	0.906	0.887	0.897
\$45,000	0.918	0.907	0.922	0.906	0.914
\$46,000	0.935	0.925	0.937	0.925	0.931
\$47,000	0.951	0.944	0.953	0.944	0.948
\$48,000	0.967	0.962	0.969	0.962	0.966
\$49,000	0.984	0.981	0.984	0.981	0.983
\$50,000	1.000	1.000	1.000	1.000	1.000
\$51,000	1.016	1.019	1.016	1.019	1.017
\$52,000	1.032	1.037	1.031	1.037	1.034
\$53,000	1.049	1.057	1.047	1.056	1.052
\$54,000	1.065	1.075	1.063	1.075	1.069
\$55,000	1.082	1.094	1.078	1.094	1.086
\$56,000	1.098	1.112	1.094	1.113	1.103
\$57,000	1.114	1.131	1.110	1.132	1.120
\$58,000	1.130	1.150	1.126	1.150	1.138

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
COVERAGE A AMOUNT OF INSURANCE CURVE**

Base Risk: 50,000 coverage

Cov A AOI	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Republic Proposed
\$59,000	1.147	1.168	1.141	1.169	1.155
\$60,000	1.163	1.188	1.157	1.188	1.172
\$61,000	1.180	1.207	1.173	1.207	1.190
\$62,000	1.196	1.225	1.188	1.225	1.207
\$63,000	1.212	1.244	1.204	1.244	1.224
\$64,000	1.229	1.262	1.220	1.263	1.241
\$65,000	1.245	1.282	1.235	1.282	1.259
\$66,000	1.261	1.300	1.251	1.300	1.276
\$67,000	1.277	1.319	1.267	1.320	1.293
\$68,000	1.293	1.338	1.282	1.339	1.310
\$69,000	1.310	1.356	1.298	1.357	1.327
\$70,000	1.327	1.375	1.314	1.376	1.344
\$71,000	1.343	1.394	1.330	1.395	1.362
\$72,000	1.359	1.412	1.345	1.414	1.379
\$73,000	1.375	1.429	1.361	1.432	1.395
\$74,000	1.392	1.450	1.377	1.451	1.413
\$75,000	1.408	1.469	1.392	1.470	1.431
\$76,000	1.424	1.488	1.408	1.489	1.448
\$77,000	1.441	1.506	1.424	1.507	1.465
\$78,000	1.457	1.525	1.439	1.526	1.482
\$79,000	1.474	1.544	1.455	1.545	1.499
\$80,000	1.490	1.563	1.471	1.564	1.517
\$81,000	1.506	1.582	1.487		1.534
\$82,000	1.522	1.600	1.502		1.551
\$83,000	1.538	1.619	1.518		1.569
\$84,000	1.555	1.638	1.534		1.586
\$85,000	1.571	1.657	1.549		1.603
\$86,000	1.588	1.675	1.565		1.620
\$87,000	1.604	1.694	1.581		1.637
\$88,000	1.620	1.713	1.596		1.654
\$89,000	1.637	1.731	1.612		1.672
\$90,000	1.653	1.750	1.628		1.689
\$91,000	1.669	1.769	1.643		1.706
\$92,000	1.685	1.787	1.659		1.723
\$93,000	1.702	1.807	1.675		1.741
\$94,000	1.718	1.825	1.691		1.758
\$95,000	1.735	1.844	1.706		1.775
\$96,000	1.751	1.863	1.722		1.792
\$97,000	1.767	1.881	1.738		1.809
\$98,000	1.783	1.900	1.753		1.827
\$99,000	1.800	1.919	1.769		1.844
\$100,000	1.816	1.938	1.785		1.861

Each additional \$1,000: add 0.017 to the \$100,000 AOI factor.

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
COVERAGE C TERRITORIAL RATES FOR DWELLING COVERAGE**

Territory	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Republic Proposed Dwelling	Republic Proposed (Fire Only)	Republic Proposed (EC Only)
1		\$100			\$105	\$50	\$55
2		\$100			\$105	\$50	\$55
3		\$100			\$105	\$50	\$55
4		\$100			\$105	\$50	\$55
5		\$100			\$105	\$50	\$55
6		\$100			\$105	\$50	\$55
7		\$100			\$105	\$50	\$55
8		\$100			\$105	\$50	\$55
9		\$100			\$105	\$50	\$55
10		\$100			\$105	\$50	\$55
11		\$100			\$105	\$50	\$55
12		\$100			\$105	\$50	\$55
13		\$100			\$105	\$50	\$55
14		\$100			\$105	\$50	\$55
15		\$100			\$105	\$50	\$55
16		\$100			\$105	\$50	\$55
17		\$100			\$105	\$50	\$55
18		\$100			\$105	\$50	\$55
19		\$100			\$105	\$50	\$55
20		\$100			\$105	\$50	\$55
21		\$100			\$105	\$50	\$55
22		\$100			\$105	\$50	\$55
23		\$100			\$105	\$50	\$55
24		\$100			\$105	\$50	\$55
25		\$100			\$105	\$50	\$55
26		\$100			\$105	\$50	\$55
27		\$100			\$105	\$50	\$55
28		\$100			\$105	\$50	\$55
29		\$100			\$105	\$50	\$55
30		\$100			\$105	\$50	\$55
31		\$100			\$105	\$50	\$55
32		\$100			\$105	\$50	\$55
33		\$100			\$105	\$50	\$55
34		\$100			\$105	\$50	\$55
35		\$100			\$105	\$50	\$55
36		\$100			\$105	\$50	\$55
37		\$100			\$105	\$50	\$55
38		\$100			\$105	\$50	\$55

**RISK: \$10,000 AOI, FRAME, P/C 5, \$500 DEDUCTIBLE, FIRE & EXTENDED COVERAGE
COMBINED, OWNER-OCCUPIED RESIDENCE**

Note: Competitor factors are applied to Fire and EC combined

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
COVERAGE C AMOUNT OF INSURANCE CURVE - FIRE COVERAGE**

Base Risk: 10,000 coverage

Cov C AOI	Republic Proposed	Cov C AOI	Republic Proposed	Cov C AOI	Republic Proposed	Cov C AOI	Republic Proposed
\$1,000	0.224	\$41,000	3.398	\$81,000	6.562	\$121,000	9.767
\$2,000	0.335	\$42,000	3.474	\$82,000	6.643	\$122,000	9.847
\$3,000	0.424	\$43,000	3.551	\$83,000	6.723	\$123,000	9.928
\$4,000	0.511	\$44,000	3.626	\$84,000	6.802	\$124,000	10.008
\$5,000	0.592	\$45,000	3.701	\$85,000	6.884	\$125,000	10.087
\$6,000	0.677	\$46,000	3.778	\$86,000	6.963	\$126,000	10.166
\$7,000	0.756	\$47,000	3.853	\$87,000	7.042	\$127,000	10.246
\$8,000	0.842	\$48,000	3.928	\$88,000	7.124	\$128,000	10.325
\$9,000	0.922	\$49,000	4.006	\$89,000	7.203	\$129,000	10.405
\$10,000	1.000	\$50,000	4.081	\$90,000	7.285	\$130,000	10.484
\$11,000	1.084	\$51,000	4.160	\$91,000	7.364	\$131,000	10.563
\$12,000	1.161	\$52,000	4.242	\$92,000	7.443	\$132,000	10.643
\$13,000	1.244	\$53,000	4.321	\$93,000	7.525	\$133,000	10.722
\$14,000	1.319	\$54,000	4.400	\$94,000	7.604	\$134,000	10.801
\$15,000	1.397	\$55,000	4.482	\$95,000	7.684	\$135,000	10.881
\$16,000	1.480	\$56,000	4.561	\$96,000	7.765	\$136,000	10.960
\$17,000	1.555	\$57,000	4.640	\$97,000	7.845	\$137,000	11.039
\$18,000	1.635	\$58,000	4.722	\$98,000	7.924	\$138,000	11.119
\$19,000	1.709	\$59,000	4.801	\$99,000	8.006	\$139,000	11.198
\$20,000	1.789	\$60,000	4.880	\$100,000	8.085	\$140,000	11.277
\$21,000	1.865	\$61,000	4.962	\$101,000	8.164	\$141,000	11.357
\$22,000	1.942	\$62,000	5.041	\$102,000	8.246	\$142,000	11.436
\$23,000	2.024	\$63,000	5.121	\$103,000	8.325	\$143,000	11.515
\$24,000	2.098	\$64,000	5.202	\$104,000	8.405	\$144,000	11.595
\$25,000	2.174	\$65,000	5.281	\$105,000	8.486	\$145,000	11.674
\$26,000	2.252	\$66,000	5.361	\$106,000	8.566	\$146,000	11.753
\$27,000	2.328	\$67,000	5.442	\$107,000	8.645	\$147,000	11.833
\$28,000	2.408	\$68,000	5.522	\$108,000	8.727	\$148,000	11.912
\$29,000	2.482	\$69,000	5.601	\$109,000	8.806	\$149,000	11.992
\$30,000	2.558	\$70,000	5.682	\$110,000	8.885	\$150,000	12.071
\$31,000	2.634	\$71,000	5.762	\$111,000	8.967		
\$32,000	2.712	\$72,000	5.841	\$112,000	9.046		
\$33,000	2.787	\$73,000	5.923	\$113,000	9.126		
\$34,000	2.863	\$74,000	6.002	\$114,000	9.207		
\$35,000	2.941	\$75,000	6.081	\$115,000	9.287		
\$36,000	3.017	\$76,000	6.163	\$116,000	9.366		
\$37,000	3.092	\$77,000	6.242	\$117,000	9.448		
\$38,000	3.170	\$78,000	6.321	\$118,000	9.527		
\$39,000	3.245	\$79,000	6.403	\$119,000	9.606		
\$40,000	3.323	\$80,000	6.482	\$120,000	9.688		

Each additional \$1,000: add 0.079 to the \$150,000 AOI factor.

SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
COVERAGE C AMOUNT OF INSURANCE CURVE - EXTENDED COVERAGE

Base Risk: 10,000 coverage

Cov C AOI	Republic Proposed	Cov C AOI	Republic Proposed	Cov C AOI	Republic Proposed	Cov C AOI	Republic Proposed
\$1,000	0.191	\$41,000	3.914	\$81,000	7.604	\$121,000	11.261
\$2,000	0.294	\$42,000	4.007	\$82,000	7.697	\$122,000	11.352
\$3,000	0.380	\$43,000	4.105	\$83,000	7.788	\$123,000	11.445
\$4,000	0.468	\$44,000	4.199	\$84,000	7.878	\$124,000	11.536
\$5,000	0.553	\$45,000	4.293	\$85,000	7.971	\$125,000	11.626
\$6,000	0.643	\$46,000	4.390	\$86,000	8.062	\$126,000	11.716
\$7,000	0.729	\$47,000	4.485	\$87,000	8.153	\$127,000	11.807
\$8,000	0.823	\$48,000	4.579	\$88,000	8.246	\$128,000	11.897
\$9,000	0.913	\$49,000	4.676	\$89,000	8.336	\$129,000	11.988
\$10,000	1.000	\$50,000	4.770	\$90,000	8.429	\$130,000	12.078
\$11,000	1.096	\$51,000	4.861	\$91,000	8.520	\$131,000	12.169
\$12,000	1.184	\$52,000	4.954	\$92,000	8.610	\$132,000	12.259
\$13,000	1.280	\$53,000	5.045	\$93,000	8.704	\$133,000	12.350
\$14,000	1.370	\$54,000	5.135	\$94,000	8.794	\$134,000	12.440
\$15,000	1.462	\$55,000	5.228	\$95,000	8.885	\$135,000	12.531
\$16,000	1.558	\$56,000	5.319	\$96,000	8.978	\$136,000	12.621
\$17,000	1.648	\$57,000	5.410	\$97,000	9.068	\$137,000	12.712
\$18,000	1.743	\$58,000	5.503	\$98,000	9.159	\$138,000	12.802
\$19,000	1.833	\$59,000	5.593	\$99,000	9.252	\$139,000	12.893
\$20,000	1.928	\$60,000	5.684	\$100,000	9.342	\$140,000	12.983
\$21,000	2.021	\$61,000	5.777	\$101,000	9.433	\$141,000	13.074
\$22,000	2.114	\$62,000	5.868	\$102,000	9.526	\$142,000	13.164
\$23,000	2.212	\$63,000	5.958	\$103,000	9.617	\$143,000	13.254
\$24,000	2.303	\$64,000	6.052	\$104,000	9.707	\$144,000	13.345
\$25,000	2.396	\$65,000	6.142	\$105,000	9.800	\$145,000	13.435
\$26,000	2.492	\$66,000	6.233	\$106,000	9.891	\$146,000	13.526
\$27,000	2.586	\$67,000	6.326	\$107,000	9.981	\$147,000	13.616
\$28,000	2.685	\$68,000	6.416	\$108,000	10.074	\$148,000	13.707
\$29,000	2.775	\$69,000	6.507	\$109,000	10.165	\$149,000	13.797
\$30,000	2.869	\$70,000	6.600	\$110,000	10.255	\$150,000	13.888
\$31,000	2.963	\$71,000	6.691	\$111,000	10.349		
\$32,000	3.059	\$72,000	6.781	\$112,000	10.439		
\$33,000	3.153	\$73,000	6.875	\$113,000	10.530		
\$34,000	3.247	\$74,000	6.965	\$114,000	10.623		
\$35,000	3.344	\$75,000	7.056	\$115,000	10.713		
\$36,000	3.437	\$76,000	7.149	\$116,000	10.804		
\$37,000	3.531	\$77,000	7.239	\$117,000	10.897		
\$38,000	3.628	\$78,000	7.330	\$118,000	10.987		
\$39,000	3.722	\$79,000	7.423	\$119,000	11.078		
\$40,000	3.819	\$80,000	7.514	\$120,000	11.171		

Each additional \$1,000: add 0.090 to the \$150,000 AOI factor.

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
PROTECTION/CONSTRUCTION FACTORS**

Base Class: Frame 5

Protection / Construction	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Republic Proposed All Cov	Republic Proposed Applied to Fire Only
1 / Frame	0.95	0.95	1.00	0.90	0.95	0.90
2 / Frame	0.95	0.95	1.00	0.90	0.95	0.90
3 / Frame	0.95	0.95	1.00	0.90	0.95	0.90
4 / Frame	0.95	1.00	1.00	0.96	1.00	1.00
5 / Frame	1.00	1.00	1.00	1.00	1.00	1.00
6 / Frame	1.00	1.00	1.00	1.02	1.00	1.00
7 / Frame	1.21	1.24	1.15	1.19	1.24	1.50
8 / Frame	1.21	1.24	1.43	1.42	1.38	1.80
8B / Frame			2.22		2.10	3.35
9 / Frame	1.69	1.90	2.22	1.79	2.10	3.35
10 / Frame	1.69	2.29	2.63	2.17	2.55	4.30
1 / Masonry	0.95	0.86	0.85	0.78	0.85	0.68
2 / Masonry	0.95	0.86	0.85	0.78	0.85	0.68
3 / Masonry	0.95	0.86	0.85	0.78	0.85	0.68
4 / Masonry	0.95	0.90	0.85	0.83	0.90	0.79
5 / Masonry	1.00	0.90	0.85	0.86	0.90	0.79
6 / Masonry	1.00	0.90	0.85	0.87	0.90	0.79
7 / Masonry	1.21	1.11	0.97	1.01	1.11	1.23
8 / Masonry	1.21	1.11	1.22	1.19	1.22	1.46
8B / Masonry			1.89		1.80	2.70
9 / Masonry	1.69	1.71	1.89	1.49	1.80	2.70
10 / Masonry	1.69	2.06	2.23	1.79	2.15	3.45

Note: Competitor factors are applied to Fire and EC combined

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
DEDUCTIBLE FACTORS**

All Territories

All Peril	Competitor 1	Competitor 2	Competitor 3	Competitor 4	Republic Proposed All Cov	Republic Proposed Fire Only	Republic Proposed EC Only	Republic Proposed VMM/Water
\$250	1.05	1.05	1.05	1.11	1.11	1.03	1.18	1.11
\$500	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
\$1,000	0.95	0.90	0.95	0.89	0.90	0.98	0.83	0.90
\$2,500		0.80	0.89		0.79	0.91	0.69	0.79

Note: Competitor factors are applied to Fire and EC combined

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
ADDITIONAL EXTENDED COVERAGE WITH LIMITED WATER DAMAGE**

	\$2,500	\$5,000
Base Rate	\$43	\$54

	\$2,500 Factor	\$5,000 Factor
Coverage A		
15,000	0.90	0.86
20,000	0.90	0.88
25,000	0.92	0.90
30,000	0.94	0.92
35,000	0.96	0.94
40,000	0.98	0.97
45,000	1.00	1.00
50,000	1.05	1.07
55,000	1.10	1.14
60,000	1.15	1.21
65,000	1.20	1.28
70,000	1.25	1.35
75,000	1.29	1.41
80,000	1.33	1.47
85,000	1.37	1.53
90,000	1.41	1.59
95,000	1.44	1.64
100,000	1.47	1.69
Add'l \$5,000	0.03	0.04

	\$2,500 Factor	\$5,000 Factor
Territory		
All	1.00	1.00

	\$2,500 Factor	\$5,000 Factor
Occupancy		
Tenant	1.15	1.15

**Other (Water) deductible credits are applied to these rates.
Base deductible: \$500**

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
LIABILITY RATES AND OTHER MISCELLANEOUS ITEMS**

Liability Coverage

Liability/MP Limit	Owner-Occupied Dwellings			Tenant-Occupied Dwellings		
	one family Charge	two family Charge	three + family Charge	one family Charge	two family Charge	three + family Charge
\$25,000/\$500	\$35	\$39	\$53	\$45	\$55	\$68
<u>Increased Limits Factors</u>						
\$50,000/\$500	1.333	1.333	1.333	1.333	1.333	1.333
\$100,000/\$500	2.000	2.000	2.000	2.000	2.000	2.000
Medical Payments \$1,000	\$5	\$5	\$5	\$5	\$5	\$5

Minimum Premium

\$200

Optional Coverages & Rates

Vandalism and Malicious Mischief

Rate per \$1,000 (All
Territories)
\$1.10

Additional Living Expense (Coverage E)

Fire

PPC 1-6	\$3.00
PPC 7	\$3.50
PPC 8	\$4.00
PPC 9	\$5.00
PPC 10	\$6.00
Extended Coverage	\$1.00

**SOUTHERN INSURANCE COMPANY
ARKANSAS HOME PROTECTORS DP-1
CREDITS AND CHARGES**

Surcharges

Dog Surcharge (for liability coverage only)	\$25	
Trampoline Surcharge (for liability coverage only)	\$25	
Tenant Factor	1.110	to be applied to Fire & EC, building & contents base rates
Townhouse/Rowhouse Factor	1.200	to be applied to Fire building & contents base rates
Seasonal or Secondary Factors	1.200	to be applied to Fire building & contents base rates
Wood Roof Factor	1.400	to be applied to Fire and EC building base rate only
Two Layer Roof Factor	1.150	to be applied to EC building base rate only
Three + Layer Roof Factor	1.300	to be applied to EC building base rate only

Number of Families - Two Family Factors

Building	1.200	to be applied to Fire building & contents base rates
Contents	1.200	to be applied to Fire building & contents base rates

Number of Families - Three or Four Family Factors

Building	1.500	to be applied to Fire building & contents base rates
Contents	1.500	to be applied to Fire building & contents base rates

Credits

Protective Devices Credit		
Central Station Reporting Fire Alarm	10%	to be applied to Fire building & contents base rates
Fire Department Reporting Fire Alarm	7%	to be applied to Fire building & contents base rates
Local Burglar and/or Fire Alarm	5%	to be applied to Fire building & contents base rates
Hail Resistive Composition Roof Credit (Class IV)	15%	to be applied to EC building base rate only
Metal Roof Credit	5%	to be applied to EC building base rate only
Superior Construction (non-combustible risks)	50%	to be applied to Fire building & contents base rates
Superior Construction (fire-resistive & masonry non-combustible risks)	50%	to be applied to Fire & EC, building & contents base rates
Mature Homeowner - age 50 and over (owner-occupied risks)	5%	to be applied to Fire & EC, building & contents base rates
Agency Renewal (first three years with Republic)	10%	to be applied to Fire & EC, building & contents base rates
Loss Free (if the past three years have been claim free with Republic)	10%	to be applied to Fire & EC, building & contents base rates

NAIC LOSS COST DATA ENTRY DOCUMENT

1. This filing transmittal is part of Company Tracking # _____

2. If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number _____

		Company Name		Company NAIC Number
3.	A.	Southern Insurance Company	B.	19216

		Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	17.2 Other Liability - Occurrence Only	B.	17.2003 Comprehensive Personal Liability

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
n/a							
n/a							
n/a							
n/a							
n/a							
n/a							
TOTAL OVERALL EFFECT							

6.

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2006	n/a	n/a	n/a	n/a	n/a	n/a	38.0%
2005	n/a	n/a	n/a	n/a	n/a	n/a	65.3%
2004	n/a	n/a	n/a	n/a	n/a	n/a	36.3%
2003	n/a	n/a	n/a	n/a	n/a	n/a	43.5%
2002	n/a	n/a	n/a	n/a	n/a	n/a	69.6%

7.

Expense Constants	Selected Provisions
A. Total Production Expense	23.6%
B. General Expense	6.2%
C. Taxes, License & Fees	3.0%
D. Underwriting Profit & Contingencies	7.4%
E. Other (explain)	
F. TOTAL	40.2%

8. N Apply Lost Cost Factors to Future filings? (Y or N)

9. n/a Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): _____

10. n/a Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): _____

<i>SERFF Tracking Number:</i>	<i>TRGR-125377308</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Southern Insurance Company</i>	<i>State Tracking Number:</i>	<i>#302180 \$100</i>
<i>Company Tracking Number:</i>	<i>07-213</i>		
<i>TOI:</i>	<i>17.2 Other Liability - Occurrence Only</i>	<i>Sub-TOI:</i>	<i>17.2003 Comprehensive Personal Liability</i>
<i>Product Name:</i>	<i>Arkansas Home Protectors</i>		
<i>Project Name/Number:</i>	<i>Initial Filing of Rates and Rules/07-213</i>		

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Rate and Rule	Rates and Rules	12/12/2007	AHP DL SUPPLEMENT Manual 02 08.pdf

**ARKANSAS
HOME PROTECTOR PROGRAM
DWELLING LIABILITY SUPPLEMENT
MANUAL**

SUPPLEMENT TO THE ARKANSAS HOME PROTECTOR DWELLING GENERAL RULES

The Arkansas Home Protector Dwelling Policy Program General Rules apply to this Supplement except as follows:

RULE 100. INTRODUCTION

The following is added to Rule **100**:

D. About The Personal Liability Supplement

The Arkansas Home Protector Dwelling Policy Program is designed for lower valued residential properties and dwellings which may not qualify for mainstream markets. Liability coverage for the Arkansas Home Protector Program will be written with Dwelling Property coverage provided on policy form **DP 00 01**. Use Personal Liability Endorsement **DL 24 01**.

RULE 101. COVERAGE AND LIMITS OF LIABILITY

The title of Rule **101**. Forms, Coverages, Minimum Limits of Liability is replaced by the preceding title. Rule **101**. is replaced by the following:

A. Coverage Description

Personal Liability (Coverage **L**) and Medical Payments to Others (Coverage **M**) shall be provided in all cases.

B. Limits of Liability

The minimum limits of liability required are as follows:

Coverage **L** - \$25,000 each occurrence

Coverage **M** - \$500 each person

C. Increased Limits

These limits may be increased for an additional premium.

D. Same Limit For All Exposures

The same Coverage **L** and **M** limits of liability shall apply to all exposures.

RULE 102. EXPOSURES

The title of Rule **102**. Perils Insured Against is replaced by the preceding title. Rule **102**. is replaced by the following:

Refer to Rule **301**. for company rates for exposures **A.** through **C.**

A. Initial Residence Premises Occupied By Owner**B. Other Insured Locations Occupied By Owner****C. Other Insured Locations Not Occupied By Owner**

When the initial residence premises is insured by:

1. The same company insuring the other location, use Additional Residence Rented To Others Endorsement **DL 24 04**.
2. Another Company, use Premises Liability Endorsement **DL 24 11**.
3. The same company insuring the initial residence premises in another policy, use Premises Liability Endorsement **DL 24 11**.

RULE 103. ELIGIBILITY

The following is added to Rule **103**:

F. Coverage may be provided for:

1. All insured locations occupied by the insured.
2. Other locations not occupied by the owner.

G. If coverage is provided under Paragraph **F.1.:**

1. It automatically includes coverage for Employer's Liability for up to two employees. Coverage is not available for more than two employees is not available
2. It may also be provided for all other exposures listed in this supplement.

H. When coverage is provided in accordance with Paragraph **F., it may be extended to cover additional insureds, but only with respect to the insured location. An additional insured is a person or organization with interest in the insured location or a joint owner who does not occupy the insured location. No additional charge is required.**

Use Additional Insured Endorsement **DL 24 10**.

RULES 104. – 107

Rules 104. – 107. do not apply.

RULE 301. PREMIUM COMPUTATION

Rule 301 is replaced by the following:

A. Premium Computations**1. Basic Limits**

Category	One Family Premium	Two Family Premium	Three or Four Family Premium
Owner Occupied	\$35	\$39	\$53
Non-Owner Occupied	\$45	\$55	\$68

Table 301.B.1, Basic Limit Rates**2. Increased Limits – Medical Payments**

Charge \$5 to increase to \$1,000 Medical payments limit.

B. Increased Limits

For Personal Liability increased limits, apply the following factors to the basic limits premiums:

Limit Of Liability	Factor
\$50,000	1.333
\$100,000	2.000

Table 301.B. Increased Limits**RULES 302. – 303.**

Rules 302. – 303. do not apply.

RULES 305. LOSS SETTLEMENT OPTIONS

Rule 305. does not apply.

RULES 401. – 410

Rules 401. – 410. do not apply.

RULES 501. – 516

Rules 501 – 516. do not apply.

ADDITIONAL RULES**RULE A1. SPECIAL STATE REQUIREMENTS****A. No Coverage for Home Day Care Business Endorsement DL 24 16**

Use this endorsement when Personal Liability Endorsement **DL 24 01** is attached to a policy.

B. Amendatory Mandatory Asbestos and Lead Exclusion Endorsement RD 955

This endorsement details the restrictions for asbestos and lead. Use this endorsement when Personal Liability endorsement **DL 24 01** is attached to a policy.

C. Special Provisions Endorsement DL 25 03

Use this endorsement when Personal Liability Endorsement **DL 24 01** is attached to a policy.

RULE A2. DOG AND ANIMAL EXCLUSIONS

A. Premises with certain types of dogs (e.g., dogs with a history of biting) and other animals (e.g., poisonous snakes) are not eligible for coverage. These dwellings may be written if this exposure is excluded.

B. Endorsements

1. For unacceptable dog exposures, use endorsement **RDL 104**, Canine Exclusion
2. For all other unacceptable animal exposures, use **RDL 106**, Animal Exclusion

C. Refer to the company's underwriting guidelines for further information on unacceptable exposures.

RULE A3. DOG SURCHARGE

A. A \$25 surcharge applies to an insured who owns a dog(s) and is not subject to the canine exclusion.

B. The surcharge applies to the final premium.

C. Do not apply the surcharge if Endorsement **RDL 104** or **RDL 106** is attached to the policy.

RULE A4. TRAMPOLINE SURCHARGE

A. A \$25 surcharge applies to an insured who owns a trampoline protected by a safety net.

B. Trampolines without safety nets are not eligible for coverage.